

# California Contractors License Law & Reference Book

*2002 Edition*



CONTRACTORS STATE  
LICENSE BOARD

STATE OF CALIFORNIA  
Gray Davis, *Governor*

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## ABOUT THIS BOOK

*The California License Law & Reference Book begins with several narrative chapters that describe many of the legal requirements affecting contractors. These narrative chapters contain references to laws, rules and regulations included in the later chapters, which provide the actual code sections.*

*The laws and regulations contained in this book are as in effect on January 1, 2002.*

## SUMMARY OF MAJOR CHANGES TO CONTRACTOR LAW EFFECTIVE JANUARY 1, 2002

### Business and Professions Code

**121.5.** Adds a section preventing certain fee assessments upon renewal of an expired license or registration lawfully designated inactive or retired.

**7006.** Authorizes the Contractors State License Board to meet once each quarter.

**7011.** Amends dates.

**7011.8.** Amends reporting requirements.

**7017.** Amends reporting requirements.

**7026.** Amends definition to include installation, repair, maintenance, or calibration of monitoring equipment for underground storage tanks.

**7027.3.** Amendment which expands the scope of investigations and penalties of this section to include unlicensed individuals.

**7028.7.** Amendment which expands the scope of the section to include salespersons and registrations.

**7028.13.** Amends the requirements to obtain a civil judgment. Authorizes the registrar to use collection agencies to collect civil penalties.

**7031.** Pre-existing law prohibited an unlicensed contractor from bringing or maintaining an action to recover compensation in any court in this state. This bill authorizes a person who utilizes an unlicensed contractor to bring an action in any court of competent jurisdiction in this state for recovery of compensation paid to the unlicensed contractor for performance of any act or contract.

**7059.1.** Amendment prevents licensee from conducting business under more than one name for each license.

**7071.11.** Amendment changes from two to three years the period during which certain claims can be made against a cash deposit, and prevents release of the deposit until complaints have been adjudicated.

**7074.** Amendment allows an applicant 18 months to pass the qualifying exam instead of three tries to pass the exam, and allows extension of application and exam deadlines under some circumstances.

**7091.** Amendment strikes the statement that the board will adopt regulations to define the term "structural defect" by December 31, 1995. (Regulation completed.)

**7112.** Expands the grounds for disciplinary action during the license application and renewal process concerning misrepresentations or omissions made on the application or renewal form.

**7112.1** Allows the board to expunge from the record a license or classification obtained as a result of a licensee misrepresenting or omitting facts.

**7124.6.** Pre-existing law allowed the Registrar to make available to the public the nature and disposition of all complaints on file against a licensee that have been referred for legal action. This bill will allow CSLB to maintain an information system making available to the public the date, nature, and status of all complaints on file that have been referred for investigation due to a determination by an enforcement representative that a probable violation of law has occurred, and that, if proven, would be appropriate for suspension or revocation of the contractor's license or criminal prosecution. The bill will also limit the amount of time certain legal actions are disclosed.

**7153.** Amendment allows the registrar to issue citations to unregistered salespersons the registrar believes violated the Contractors' State License Law.

### California Code of Regulations

**872.** Requires home improvement contractors and 7164 home builders to give homeowners a statement and form which discloses whether or not they carry commercial general liability insurance, and includes information they may use to verify the insurance. Required by SB 2029 (Figueroa, Chapter 1005, Stat. 2000).

**872.1.** Requires home improvement contractors and home improvement contractors who build swimming pools to give homeowners a checklist which provides information they should consider when evaluating a contractor or contract. Required by SB 2029 (Figueroa, Chapter 1005, Stat. 2000).

**890.** This new Article 9 section sets minimum qualifications for arbitrators for the purposes of Section 7085.5 of the B&P Code.

### Extracts

**Unemployment Insurance Code 329. Joint Enforcement Strike Force on the Underground Economy.** Adds the Department of Insurance to the list of Strike Force Members.

## CSLB'S HISTORY & BACKGROUND

The Contractors State License Board (CSLB) was established in 1929 as the Contractors License Bureau under the Department of Professional and Vocational Standards. Today, the CSLB is part of the Department of Consumer Affairs.

A fifteen-member appointed board elects the CSLB's executive officer, or registrar of contractors, and directs administrative policy for the agency's operations. This appointed board includes nine public members (eight noncontractors and one local building official), five contractors, and one labor representative. Eleven appointments are made by the Governor and four are made by the Legislature. The board holds regularly scheduled public meetings throughout the state. These meetings provide the public an opportunity to testify on agenda items and other issues.

The CSLB licenses and regulates contractors in 42 license classifications that constitute the construction industry. Currently, there are approximately 278,000 licensed contractors in the state. The registrar oversees approximately 450 employees who work at the headquarters office in Sacramento and field offices throughout the state.

The headquarters staff receive and process applications for new contractors' licenses, additional classifications, changes of license records, and license renewals. They also review and maintain records of disciplinary actions initiated by the field offices, provide verified certificates of licensure used in court or other actions, provide the status of licensure and other support services.

Headquarters directs the activities of field offices and initiates all disciplinary actions resulting from their investigations. Field office staff investigate consumer

complaints against contractors. The Statewide Investigative Fraud Team (SWIFT) focuses on unlicensed activity.

CSLB Call Center technicians are trained to answer questions about the licensing process and the current status of licensed contractors and home improvement salespersons. Callers who need to speak directly to a technician may call (916) 255-3900 from 7 a.m. to 5 p.m., Monday–Friday.

CSLB's automated public information line, 1-800-321-CSLB (2752), operates 24 hours a day. Callers can determine whether or not a contractor's license is valid by entering the contractor's license number. The information provided includes the licensee's business name, license status, classifications held, business type, and CSLB legal actions (if any). They may also listen to recorded information on licensing and examination procedures, complaint procedures and how to obtain information on a complaint that has been referred for legal action, the location and hours of CSLB offices, and current topics such as recently passed laws or regulations. Callers can also order forms, applications and other publications.

The same information is available on the CSLB's Web site, [www.cslb.ca.gov](http://www.cslb.ca.gov), where one can look up a contractor by license number or by name and obtain the licensee's business name and address, license status, CSLB legal actions (if any), classifications held, business type, bond and workers' compensation information.

CSLB offers a variety of publications that guide consumers in making informed choices when contracting for home repairs and improvements. Speakers can be provided for groups interested in learning more about the CSLB. Check the Web site for details or write to CSLB Public Affairs, P.O. Box 26000, Sacramento, CA 95826.

## MISSION

*The Contractors State License Board protects consumers by regulating the construction industry through policies that promote the health, safety, and general welfare of the public in matters relating to construction.*

*The Contractors State License Board will accomplish this by:*

- *Ensuring that construction is performed in a safe, competent and professional manner;*
- *Licensing contractors and enforcing licensing laws;*
- *Requiring that any person practicing or offering to practice construction contracting be licensed;*
- *Enforcing the laws, regulations and standards governing construction contracting in a fair and uniform manner;*
- *Providing resolution to disputes that arise from construction activities; and*
- *Educating consumers so that they may make informed choices.*

**CONTRACTORS STATE LICENSE BOARD OFFICES****Headquarters**

Street Address	9821 Business Park Drive, Sacramento, CA 95827
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Licensing Division Fax	(916) 366-9130
Judgments Unit Fax	(916) 255-4016
Internet	<a href="http://www.cslb.ca.gov">www.cslb.ca.gov</a>

**Northern Region**

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 SWIFT (Unlicensed Activity) (916) 255-2924

Sacramento Intake & Mediation Center  
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 (800) 321-CSLB (2752)  
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 Fresno, CA 93726  
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Oakland Investigative Center \*  
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Santa Rosa Branch Office \*  
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**Southern Region**

12501 East Imperial Hwy, Suite 600, Norwalk, CA 90650  
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 Case Management (562) 466-6012  
 SWIFT (Unlicensed Activity) (562) 466-6017

Norwalk Intake & Mediation Center  
 12501 East Imperial Hwy, Suite 620  
 Norwalk, CA 90650  
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Azusa Investigative Center  
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 Azusa, CA 91702  
 (800) 321-CSLB (2752)

Long Beach Investigative Center  
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 Long Beach, CA 90802  
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San Diego Investigative Center  
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\* Limited office hours